ASPE'S AGING and LONG-TERM CARE Policy Research Highlights

Ruth Katz

Disability, Aging and Long-Term Care Policy ASPE/USDHHS

Identifying Research Areas

- □ Driven by needs of policy makers
- □ Reactive
- □ Proactive
- Mix of long and short range work
- □ Analysis and data collection
- □ Range of project size
- Diverse methodologies

Andy Rooney on Aging Research

Because over the past few years, more money has been spent on breast implants and Viagra than is spent on Alzheimer's Disease research, it is believed that by the year 2030 there will be a large number of people wandering around with huge breasts and erections...who can't remember what to do with them.

Research Impact

- Cash and Counseling
- □ LTC Awareness Campaigns
- □ Admission Cohort: Denial Rates
- Nursing Home Ownership
- □ Standardizing Assessments

Increased Demand for Health and LTC

- Declining disability rates
- □ Sheer volume = increased demand for LTC
- □ As the baby boomers age, so will the need for long-term care
- □ 30% of those with a LTC episode will spend 20% or more of their assets and income

Pressing Policy Issues

- □ LTC spending in 2005: \$207 billion
- Costs to system and to individuals: who will pay?
- Need more residential options
- □ Staffing concerns: who will provide the care?
- □ How can we maximize technology to improve quality and coordination?

Who pays?

- □ Medicaid the primary payor 39%
- □ Out of pocket spending 29.5%
- □ Medicare 17.8%
- □ Private insurance 7.4%
- □ Other 6.3%

ISSUE: Private LTC Financing

- ☐ Historically, not significant, but growing as share of LTC spending
- □ Approximately 8-9 million polices in effect
- □ Number of policies declined 2003 2006
- With an emphasis on simpler policies with inflation protection, sales increased in 2007
- □ Policy Research: Awareness Campaigns, Reverse Mortgages

ISSUE: Improving Public Programs

- □ Consumers prefer services at home, in the community
- □ 75% of XIX spending is on institutions
- □ Average Medicaid LTC user costs over \$32K/yr
- Continuing nursing home quality concerns
- □ Policy Research: Cash and Counseling Technical Guide, HCBS Primer, NH research

ISSUE: Creating New Residential Options

- □ In 2007, approximately 38,000 licensed residential places, close to a million beds
- Minimal Medicaid coverage
- Critical to understand current state of the art and trends
- □ Policy Research: State regulatory analyses, National Survey of Residential Care Facilities

ISSUE: Staffing Shortages

- □ Nationwide shortage of direct care workers
- □ Approximately 3 million workers/in 2050 we will need 5.7 6.5 million
- Quality implications
- Policy Research: Surveys, DoL Apprenticeship evaluation

ISSUE: Using Health IT to improve quality and efficiency

- □ HIT can improve clinical outcomes, reduce errors and reduce costs.
- □ LTC users transition through many health care systems and providers, use multiple medications
- □ Already collecting information (e.g., MDS)
- □ Policy Research: Partnership with providers and vendors, developing standards for post acute assessment

ISSUE: Averting or delaying the need for long-term care

- □ Falls can be devastating
- □ Estimated cost of falls: \$16.4 billion a year
- □ Need to explore and promote new avenues to maintain health and functioning
- Policy Research: Living Independently Falls Free Together (cost effectiveness of falls prevention)



aspe.hhs.gov/daltcp/home